

IRS News Release

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IRS Encourages Businesses to Submit Tax Issues for Resolution Program

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Washington — Business taxpayers and associations may seek resolution of problematic tax issues through the Internal Revenue Service's Industry Issue Resolution (IIR) Program. Submissions received by March 31, 2006, of business tax issues where the tax treatment is uncertain, frequently disputed or burdensome will be considered for IIR project selection and inclusion in the 2006-2007 Treasury and IRS Guidance Priority List.

The objective of the IIR program is to resolve business tax issues common to significant numbers of taxpayers through new guidance. In past years, issues have been submitted by associations and others representing both small and large business taxpayers, resulting in tax guidance that has affected thousands of business taxpayers engaged in a variety of industries. Recent results of the IIR program include:

- Providing a safe harbor accounting method that heavy equipment dealers can use to more simply calculate heavy equipment parts inventories using standard price lists. (Rev Proc 2006-14)
- Allowing companies to reduce administrative burden by signing employment tax returns by facsimile. (Rev Proc 2005-39)

For each issue selected, an IIR team of IRS and Treasury personnel gather relevant facts from taxpayers or other interested parties affected by the issue. The goal is to recommend guidance to resolve the issue. This benefits both taxpayers and the IRS by saving time and expense that would otherwise be expended on resolving the issue through examinations.

The IRS reviews submissions semi-annually, after March 31 and August 31 of each year.

The IIR project submission procedures and selection criteria are described in Revenue Procedure 2003-36, available on the IIR program Web page. The IIR program page may be found on the IRS Web site (IRS.gov) through the Businesses page or by typing IIR program in the search box.